

Kentucky State Government Agency Strategic Plan Template

V4: 5-25-11

a. Cabinet Number and -Cabinet Name (2 digits)

55 -- Personnel Cabinet

b. Department Number and Department Name (3 digits)

790, 793, 794 – Secretary's Office, Human Resources Administration,
Employee Insurance

c. Office/Unit Number (Optional) and Office/Unit Name

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d. Agency Strategic Plan Origination Date

8/08

e. Agency Strategic Plan Update/Revision Date

10/13

f. Agency Strategic Plan Revision Number

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I. Agency Mission Statement

The Personnel Cabinet provides leadership and guidance to attract, develop, motivate and retain a talented, diverse workforce; foster an understanding of and adherence to regulatory requirements; and create a positive, supportive work environment that values all employees.

II. Agency Vision Statement

To be regarded by our employees and stakeholders as a trusted and valuable resource for innovative, accessible and responsive human resource services.

III. Agency Organizational Core Values

Integrity

We believe in adherence to the highest standards of conduct and the conviction to do what is legally and morally right.

Quality

We are committed to providing quality customer service. We will continually review our business processes based on customer needs and establish measures by which we will monitor our effectiveness.

Diversity

We believe that embracing people from diverse backgrounds adds to the richness and creativity of our workforce. We will ensure all people have equal access to the Commonwealth's employment opportunities and other human resource services.

Innovation

We are committed to finding new and creative ways to serve our customers. We will apply progressive thinking to our systems, processes and services.

<h2>IV. Statement of Alignment with the Governor's Strategic Themes/Goals</h2>
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A. Create Careers and Economic Opportunities

- Formulate a recommendation for enhancements to the Commonwealth's classification system and compensation model
- Develop and deliver advanced KHRIS and human resource training to develop a more professional HR workforce
- More direct oversight of the performance management program to ensure alignment with organizational mission and job duties
- Recruit, develop, and retain a highly skilled workforce
- Complete affirmative action plan
- Meet minority employment goal of 12.2% over a four-year period

B. Create a Healthier Kentucky

- Continue and increase wellness efforts
- Successfully conduct first web-based mandatory open enrollment
- Encourage shift to consumer choice health plans
- Continued with on-site clinics in Frankfort
- Provide competitive and comprehensive health insurance benefits for state employees, boards of education, and others, including dependents with limited resources

C. Enhance Educational Excellence

- Continue training state employees in the areas of anti-harassment and diversity as well as administer the Governor's Minority Management Trainee Program (GMMTP)
- Begin generations training to help employees better understand age-based employee differences helping to create a more consistent, cohesive and productive workforce
- Continue hosting the EEO Conference to discuss trends, educate, and provide a forum for networking
- Utilize online training to enhance accessibility statewide

- Train IT staff in SAP and SharePoint software to assume a larger role in KHRIS while reducing the use of contractors
- Provide HR and management training to improve agency performance

D. Ensure Safe Communities

- Implement a Transitional Placement Program to assist employees who have been injured on the job or have a non-occupational injury/illness to maintain employment within KY state government
- Work with the Employee Safety Advisory Council (ESAC) to improve workplace safety in Kentucky State Government
- Train employees in First-Aid, CPR, and AED

E. Enhance Responsible Governance

- Continue to reduce the rate of growth for Workers Compensation total liability for the Commonwealth and bring the program under budget barring an unforeseen event.
- Minimize the impact of funding limitations for KEHP in upcoming plan years
- Eliminate paper pay checks from Treasury for the state payroll; eliminate paper pay stubs for employees and require payroll direct deposit
- Assist with improvements to KERS—elimination of placement agents, management changes, full funding of the ARC
- Moved from a KERS self-managed Medicare supplement program to a Humana administered Medicare Advantage program reducing long-term liability by approximately \$2.5 billion
- Promote solutions to the Commonwealth's long-term funding deficit for its retirement systems
- Work with the Secretary of the Executive Cabinet, the Office of the State Budget Director, the Commonwealth Office of Technology, and the Controller's Office to manage KHRIS successfully
- Successfully navigate the consolidation of Personnel Cabinet infrastructure to the Commonwealth Office of Technology

<h3>V. Statement of Alignment</h3>

with the Agency's Budget Request and 6-Year Capital Plan

- Continue to work to achieve the Governor's Goals and meet statutory obligations through the thoughtful application of our Mission, Vision, and Values
- Successful management of KEHP even when appropriation increases do not keep pace with actuarial projections
- Improve workplace conditions through management training, education, employee recognition, flexible workplace provisions, and communication to attract and retain excellent employees in a time of fiscal structural imbalance.
- Delay necessary upgrades for KHRIS until fiscal picture brightens

VI. Situation Analysis/Environmental Analysis

A. Organizational Description (Internal Environment)

The Personnel Cabinet has a culture of recognition, diversity, community, and wellness. Employees are recognized for their contributions through various award ceremonies. We celebrate significant accomplishments such as educational achievements, family success and community involvement which build the bonds internally. All are encouraged to live well through the example set by leadership.

B. SWOT Analysis

1. Strengths

We have a diverse employee base with rich institutional knowledge. There are several subject matter experts who give ideas to improve existing programs and initiatives and suggest new projects to benefit our customers.

2. Weaknesses

Baby boomers make up a large percentage of our employee population and institutional knowledge exits on the day of retirement.

The Commonwealth has significant fiscal challenges.

3. Opportunities

Fiscal crises provide opportunities for expenditure reductions and revenue growth while correcting the structural imbalances evident in the funding of State Government. The goals and challenges listed above present opportunities for positive change as well as difficulties.

Creating a more innovative workplace through promotion of health and wellness, effective leadership, opportunities of

learning and advancement, promotion of workplace flexibility, culture of inclusion and competitive compensation and benefits.

Increase the use of technology to improve efficiency and services to our stakeholders and the public.

4. Threats

KEHP funding now and in the future.

KERS is a major long-term risk to the financial stability of the Commonwealth even with the current schedule of increases in state funding. Funding needs for state pension systems and health insurance (Medicaid and KEHP) will make it difficult for the Commonwealth to maintain essential public services.

Retaining key talent.

Increase participation in wellness and disease management to help mitigate cost increases and counter the well-known problems of smoking, obesity, and sedentary lifestyle.

Funding for HR system support and upgrades.

VII. Measurable Goals, Objectives and Key Performance Indicators

1. Make Kentucky state government an employer of choice

1.1. Promote workplace flexibility

Performance Indicators:

- Number and percent of employees utilizing flexible work options

1.2. Ensure diversity of the workforce

Performance Indicators:

- Increase minority and female utilization to meet new census goals
- EEO compliance data

1.3. Promote health and wellness

Performance Indicators:

- Number and percent of employees participating in HumanaVitality and receiving preventative screenings
- 1.4. Recognize and reward outstanding employee performance

Performance Indicators:

- Number of nominations for Governor's Ambassador Awards
- Number of employee suggestions
- Number of nominees for the employee of quarter celebration

2. Create a learning and development culture

- 2.1. Develop innovative learning strategies

Performance Indicators:

- Number of alternate learning strategies (computer-based learning, distance learning, etc.)

- 2.2. Encourage employee learning

Performance Indicators:

- Number and percent of employees participating in learning activities
- Percent of participants graduating from the Governor's Minority Management Training Program

- 2.3. Develop career development and training paths

Performance Indicators:

- Number of job classes with defined career paths
- Number of employees with formal learning and development plans

- 2.4. Share knowledge across the enterprise

Performance Indicators:

- Participation in cross-cabinet and enterprise-wide advisory groups
- Usage of various department newsletters, training sessions, and other communication strategies
- Participation in the HR Leadership Consortium (HRLC), the International Personnel Management Association (Kentucky Chapter), and the National Association of State Personnel Executives.

3. Promote a one-employer concept across Kentucky state government

- 3.1. Maintain full and successful functionality of KHRIS

- 3.2. Partner with other agencies in the development and implementation of HR programs, projects, and procedures

Performance Indicators:

- Participation in cross-cabinet and enterprise-wide advisory groups
- Number of projects or improvements implemented

- 3.3. Create standard procedures for all human resource related functions

Performance Indicators:

- Number of procedures revised and/or implemented
- Compliance with procedures

4. Enhance customer value

- 4.1. Measure value of and satisfaction with cabinet services and programs

Performance Indicators:

- Score on customer satisfaction surveys

- 4.2. Ensure cabinet structures and systems enable high-quality customer service

Performance Indicators:

- Number of process improvements implemented
- Score on customer satisfaction surveys

- 4.3. Improve communication with customers

Performance Indicators:

- Number of communication vehicles used (newsletters, web sites, committees, etc.)
- Communication engagement rate

<p style="text-align: center;"><i>VIII. Strategic Plan Progress Report on Goals and Objectives Operable in the Last year</i> For information and guidance, see <u>Progress Report Steps</u></p>

- 55.1 Develop a plan for the Commonwealth to use Personnel (human resource) management as a strategic tool to drive desired results.**

- Update Affirmative Action Plan, develop targeted recruitment plans for females and minorities, develop EEO training modules for

managers and employees—Affirmative Action Plan updated to include protection from discrimination because of gender orientation NS targeted recruitment plans are in progress.

- Evaluate and assess system for handling EEO grievances and complaints.
- Implement the vision and plan of action and maintenance for the Kentucky Human Resource Information System.

55.2 Re-engineer key processes and apply technology in order to create an efficient human capital management system.

- Implement Statewide Safety Program to ensure the safety of employees and the financial stability of the Commonwealth's self-insured workers' compensation program—total charges to state workers' compensation group are less than the medical CPI.
- Develop new methods for the sustainability of health benefits under the self-insured health care program—wellness initiative; HumanaVitality Program; consumer driven health plans enrollment increase; health coaching program; First On-site clinics in state buildings; and benefits estimator for open enrollment. Named healthiest employer in the large employer category by Business First Louisville.
- Establish an increasing trend in the use of technology to deliver services—KHRIS project; greatly enhanced Personnel Cabinet website; workers' compensation administrative system; e-learning from Governmental Services Center; and enhanced electronic HIPAA compliance; significant expansion of information technology professionals in Cabinet resulting in enhanced capability. KHRIS was recognized at the National Association of State Chief Information Officers' (NASCIO) conference in 2013, as a finalist in the 2012 Recognition Awards for exceptional state IT initiatives, and was one of three projects selected in the area of improving state operations.

55.3 Develop and implement a world class customer service culture consisting of job content experts serving as process consultants trained in quality tools and that use state-of-the-art technologies.

- Provide personnel and financial information in a timely, accurate, and responsive method to meet the needs of both internal and external customers—monthly financial management reports are provided to executive management; and we have devoted numerous resources to assist external customers.
- Transition Staffing Services from a counselor model to a recruiter model to provide value-added services to the hiring process—while the transition is not complete, applying for state employment has become almost completely electronic through the Career Opportunities System.
- Begin IPMA-HR certification for staff.
- Offer innovative online meeting technology through our webinar program which allows for cost savings due to limited travel budgets. This equipment also provides the convenience of meeting with others in locations across the state. It allows participants to ask questions while providing tools for presenters to invite attendees, gauge interest level, ask poll and evaluation questions in one platform. Reporting and recorded webinars are made available for convenience.

55.4 To increase the effective/efficient use of resources.

- Obtained \$95.5M on behalf of Commonwealth of Kentucky from Early Retiree Reinsurance Program (ERRP) established in U. S. PPACA to reimburse employment—based plans for a portion of the costs they incur providing health coverage to early retirees.
- Provide Compass ChoiceRewards—a program that uses financial incentives to motivate and redirect members to lower-cost, high-quality providers and facilities.
- Increase awareness, knowledge, and understanding of health care plans by plan participants (Health Insurance)—greatly improved health choice booklet publication and benefits estimator to help employees choose among plans.
- Maintain new health care system in KHRIS through successful open enrollments.
- Increase state employee population served through training services offered by GSC.
- Increase customer satisfaction with organizational development services.

- Provide minimum of 12 supervisor evaluation system training classes each year.
 - Increase the number of new participants in the Deferred Compensation Program—new participants increased to over 75,000
 - Increase participant deferrals (Deferred Compensation).
 - Formalized safety program with quarterly meetings, goals established and results calculated.
 - Continue expansion of a comprehensive return-to-work program.
 - Oversee a managed care plan, including PPO participation, in workers' compensation to ensure effective coordination of medical benefits and reduce costs.
 - To continually improve and develop joint employer-employee programs that promote employee satisfaction:
 - Kentucky Employee Mediation Program is the first program to win a national award from the National Association of State Personnel Executives (NASPE) for effectiveness;
 - Hosts the annual Governor's Ambassador Awards for customer service, courage, leadership, professional achievement, and teamwork or community service, and;
 - The Kentucky Employee Assistance Program continues to provide excellent service to troubled employees.

55.5 To continually improve employee performance to meet the changing needs and expectations of the public.

- Over 95% of employees received an annual evaluation, met with their supervisors and agreed to a mutually acceptable performance plan; and, the Personnel Cabinet audited selected employee evaluations for adequacy and compliance with rules. The Employee Suggestion System has continued to lead to performance improvements and efficiencies. Employee-produced software has added the suggestion system to KHRIS.
- Over 200 Commonwealth paid HRG's and non-Commonwealth paid IC's received one-on-one KHRIS coaching.
- Implemented of a mandatory direct deposit and electronic salary statement policy for all new hires and rehires effective January 1, 2013.

- Designed and supported implementation of five new websites, two of which were created for those interested in employee training and LivingWell. Job applicants, Human Resources Administrators, state employees and benefit participants have separate sites devoted to them specifically. The use of SharePoint software allowed specific focus on providing information, support, and access to COS and KHRIS.